

FISCAL NOTE

SB 1579 - HB 2137

March 29, 2007

SUMMARY OF BILL: Authorizes the legislative body of local governments to “freeze” property tax liability for individuals 65 years of age or older who own the property as their primary residence and have an income level at or below the federal poverty guidelines based upon the size of their household.

ESTIMATED FISCAL IMPACT:

**Increase Local Govt. Expenditures – Exceeds \$100,000/ One-Time/Permissive
Exceeds \$1,000,000/Recurring/Permissive**

Decrease Local Govt. Revenues – Exceeds \$1,000,000

Assumptions:

- The state will not play a role in the verification of taxpayer eligibility.
- Several local governments will adopt legislation authorizing a tax freeze.
- A permissive, one-time increase in local government expenditures due to the cost of reprogramming computer systems and any administrative costs associated with form changes, etc.
- A permissive increase in local government expenditures associated with the cost of eligibility determination.
- The decrease in local government revenues will occur over an indeterminate and varied period of time due to the uncertainty of the timing of increases in property values as well as property tax rates and the number and time frame of local governments authorizing such freeze.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director